
Memorandum
Police Department

TO: Mayor & Council

FROM: Brenda Buren, Director

DATE: March 21, 2008

SUBJECT: Seized Asset Community Action (SACA) Grant Program Update

At the April 3, 2008 Issue Review Session, Kate Hanley, Executive Director of the Tempe Community Council, and I would like to provide an update on the Seized Asset Community Action (SACA) grant program. Specifically, we want to ensure that the Council and community are aware of the program, and discuss some modifications that will be implemented this year to improve the program.

Background

The Tempe Police Department has funded the SACA grant program for fifteen years with proceeds from adjudicated RICO (Racketeering Influenced and Corrupt Organizations) forfeitures. To date, approximately \$400,000 has been provided to the community via SACA grants to fund youth focused gang and drug prevention programs.

The Tempe Community Council has served as an independent party, administering all aspects of the SACA grant program since its inception. Each year the Tempe Community Council brings forward a recommended grant program for the review and approval of the Police Department Executive Team.

The original program guidelines provide for two types of grants, mini grants and collaborative grants. Mini grants are short term, typically summer programs, awarded to a single organization and require an application that meets program guidelines. Mini grants have been funded at \$2,000 - \$3,000 each, collectively totaling \$25,000 to \$30,000 annually. Collaborative grants require a collaborative application, quarterly reports and evaluations, and have no specified funding limit. Until this year, only mini grants were marketed, requested, and funded; and as a result, the mini grant program has served as the SACA grant program.

Authority

State law limits the use of criminal assets seized under anti-racketeering statutes not used for law enforcement purposes to *gang prevention programs substance abuse prevention programs and substance abuse education programs*. The Tempe City Attorney's Office issued an opinion in September 1992, stating that the offering of grants for purposes specified by law meets the intent of the law. As part of our recent SACA program review and update process, the City Attorney's Office reviewed the RICO statute and reaffirmed that the program meets the intent of the law.

Funding

The Tempe Police Department made a commitment in 1992 to fund the SACA grant program with proceeds from adjudicated RICO forfeitures. The commitment at that time was to provide 10% of net RICO proceeds to fund the program at a level of approximately \$25,000 to \$30,000 annually. The assumption was made that over time the proceeds provided to the program would vary somewhat, but that surpluses in some years would make up for deficits in others. Currently, there is a significant surplus in the SACA grant program account managed by the Tempe Community Council (specifics are outlined below).

Program Modifications

In an effort to improve the overall program, some modifications have been proposed and will be implemented this year. The changes are intended to accomplish the following objectives:

- 1) To ensure that the primary historical focus of the program, which has been the mini grant program, is maintained. The Tempe Police Department will continue to fund the mini grant program with RICO proceeds at a specified level of \$30,000 annually (maximum of \$3,000 per grant). This will replace the past practice of providing 10% of net RICO proceeds, and will ensure that adequate funding is available without creating large surpluses or potential deficits.
- 2) To ensure that the existing surplus is available and used for larger, discretionary grants (updated version of the collaborative grants). The Tempe Community Council has developed a grant application for discretionary grants—these grants are intended to be broader in nature, require more funding, and consequently, more follow up and evaluation. Up to two grants will be funded each year, at up to \$15,000 each, for a total of \$30,000 annually. This program is intended to be a pilot project; however, surplus funding is available to fund this program for five years. When all surplus funds have been expended, the program will be reevaluated, as will the ability of the Police Department to continue funding this component of the SACA program through RICO proceeds.

- 3) To ensure that the Tempe Community Council has a process in place to market and accept both mini grant and discretionary grant applications. It is imperative that the community and eligible agencies and organizations are aware of the program and have the appropriate information to apply for grants. The Tempe Community Council will also be responsible for providing appropriate monitoring and follow up of all awarded grants.

Financial Breakdown

With the 2008 RICO allocation that was recently made to the Tempe Community Council, the SACA grant program account has a balance of \$204,116. Expected expenditures this year will leave a balance of \$119,116, which will provide funding for the discretionary grant program this year and the next four years, at a level of approximately \$30,000 annually. The financial breakdown:

\$204,116	Existing Balance
(\$30,000)	Mini grant program for 2008
(\$25,000)	Collaborative grant program request
<u>(\$30,000)</u>	<u>New discretionary grant program for 2008</u>
\$119,116	Remaining balance for future discretionary grants

The Police Department and Tempe Community Council have worked together on making improvements to the SACA grant program, and are confident these changes will benefit the community.